

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

BENJAMIN FLEENER, individually and on behalf of all others similarly situated,

Plaintiff,

V.

**MARTIN HANAKA, ROBERT E. ALLEN,
THOMAS BERGLUND, ROBERTO
BUARON, THOMAS G. HARDY,
GLENDA FLANAGAN, JAMES GROVER,
MARVIN E. LESSER, JAMES LONG,
EMILIO S. PEDRONI, ATLANTIC
EQUITY PARTNERS III, L.P.,
GOLFSMITH INTERNATIONAL
HOLDINGS, INC., GOLF TOWN USA
HOLDINGS, INC. and MAJOR MERGER
SUB, INC.,**

Defendants.

[illegible]

Civil Action No. 1:12-CV-563-SS

JURY TRIAL DEMANDED

JOINT STIPULATION OF SERVICE

WHEREAS, on May 14, 2012, Golfsmith International Holdings, Inc. (“Golfsmith” or the “Company”) and Golf Town USA Holdings, Inc. (“Golf Town”) announced a definitive agreement dated May 11, 2012 (the “Merger Agreement”) under which Golf Town would acquire all of the outstanding shares of Golfsmith for \$6.10 per share in cash (the “Proposed Transaction”) in a transaction valued at approximately \$96 million.

WHEREAS, on June 27, 2012, Plaintiff commenced this Federal Action asserting class claims against the Golfsmith board of directors for alleging breaching their fiduciary duties by allegedly agreeing to sell the Company to Golf Town pursuant to a flawed and unfair sales process for inadequate consideration and by soliciting Golfsmith shareholders to vote on the merger pursuant to a materially misleading Information Statement on Schedule;

WHEREAS, on May 15, 2012, a related action was commenced in Texas State Court captioned *Bushansky v. Golfsmith International Holdings, Inc., et al.*, No. D-1-GN-12-001495 (D. Ct. Travis Cty, May 15, 2012) (the "State Action" and collectively with the Federal Action, the "Actions") asserting nearly identical state law claims for breach of fiduciary duty and aiding and abetting such breaches;

WHEREAS, Plaintiff agreed with the plaintiff in the first-filed State Action to coordinate efforts to prosecute their claims cooperatively in the State Action;

WHEREAS, on July 23, 2012, the parties to the Actions reached agreement to resolve the Actions and signed a Memorandum of Understanding ("MOU");

WHEREAS, counsel for defendants MARTIN HANAKA, ROBERT E. ALLEN, THOMAS BERGLUND, ROBERTO BUARON, THOMAS G. HARDY, GLENDA FLANAGAN, JAMES GROVER, MARVIN E. LESSER, JAMES LONG, EMILIO S. PEDRONI, and GOLFSMITH INTERNATIONAL HOLDINGS, INC. has accepted service of the complaint filed in the Federal Action on those defendants' behalf;

WHEREAS, contemporaneously with the filing of this joint stipulation, plaintiff has filed a notice of pending state court settlement (Doc. #3);

NOW THEREFORE, the parties hereby agree and stipulate that defendants MARTIN HANAKA, ROBERT E. ALLEN, THOMAS BERGLUND, ROBERTO BUARON, THOMAS G. HARDY, GLENDA FLANAGAN, JAMES GROVER, MARVIN E. LESSER, JAMES LONG, EMILIO S. PEDRONI, and GOLFSMITH INTERNATIONAL HOLDINGS, INC. have been served with the complaint in this matter.

Respectfully submitted,

/s/ Daniel W. Jackson

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Attorney-in-charge for Plaintiff

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Long, Emilio S. Pedroni, and Golfsmith International
Holdings, Inc.*